

Stat of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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November 6, 2003

TO:

Lowell P. Braxton, Director

THRU:

Mary Ann Wright, Associate Director

THRU:

Wayne Hedberg, Permit Supervisor

FROM:

Doug Jensen, Senior Reclamation Engineer

RE:

Request for Approval of Form and Amount of Replacement Reclamation Surety, Utah

Marblehead LLC, Marblehead Quarry, M/045/003, Utah County, Utah

In performing the standard five-year review of reclamation sureties, it was determined that Utah Marblehead Quarry's reclamation surety only needed to be escalated. During the review it was discovered that a consolidated mine reclamation plan had been submitted on March 25, 1998, but the bond had not been updated to reflect the changes included in this new plan. The existing surety of \$62,500 (in 2002 dollars) only covered 49 acres at the quarry. We have now brought the surety to current year dollars and escalated it forward five years to year 2008. The surety has been changed to include 49.29 acres at the quarry and 12.74 acres of haul road. The required surety amount to cover the total 62.03 acres is \$246,100.

The operator has provided the Division with a Reclamation Contract and Certificate of Deposit † issued by Wells Fargo Bank Northwest. N.A. in the amount of \$246,100. This will replace the existing \$62,500 United Stated Fidelity Surety Bond # Do not be alarmed that the operator's notary on page 5 of the Reclamation Contract is written in French and is located on the back side of this page.

If you are in agreement with the acceptance of the replacement reclamation surety please sign and date the documents. We will then forward an executed copy of the documents to Utah Marblehead LLC for their records. We will also return the existing Reclamation Contract and \$62,500 United Stated Fidelity Bond for them to destroy or return to the surety company. Thank you for your consideration of this request.

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Enclosure: MR-RC & CD

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Appended 19-17-02

